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Yannis Labrou

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STAAS & HALSEY LLP

SUITE 700

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EXAMINER

WORJLOH, JALATEE

ART UNIT

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PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/628,583	Applicant(s) LABROU ET AL.	
	Examiner Jalatee Worjloh	Art Unit 3685	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 25 April 2008.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 6,8-21 and 23-31 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 6,8-21 and 23-31 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>1 page only (6-8-07)</u> . | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Continued Examination Under 37 CFR 1.114

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on April 25, 2008 has been entered.

Response to Amendment

2. Claims 6, 8-21, and 23-31 are pending.

Response to Arguments

3. Applicant's arguments with respect to the claims have been considered but are moot in view of the new ground(s) of rejection.

Claim Rejections - 35 USC § 112

4. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

5. Claims 6, 8-21, and 23-31 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

6. Claim 10 recites “ a first view of the agreement secured by a key based upon both a first mobile device parameter stored in the mobile device...”; however, it is unclear whether the key based on a first mobile device parameter and the personal identifying information or only the first view?

7. Claim 10 recites "device parameter", but it is unclear what these parameters are. Please clarify.

8. Claims 6, 8-21, and 23-31 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. That is, these claims are considered hybrid claims. See MPEP §2173.05(p) II.

In particular, the claims are directed to neither a "process" or a "machine" but rather embrace or overlap two different statutory classes of invention as set forth in 35 U.S.C. §101.. For example, claim 10 recites " A system." In light of this evidence, one of ordinary skill in the art could reasonably interpret these recitations as express intent by Applicant(s) to claim a product claim. Alternatively, claim 10 also recites " transmitting the first view of the agreement...connecting the second party to the third party...." One of ordinary skill in the art could also reasonably interpret these recitations as express intent by Applicant(s) to claim a process claim. In light of this conflicting evidence, a person of ordinary skill in the art could reasonably interpret claim 10 to be drawn to both a product or process.

Therefore in accordance with §2173.05(p) II which states that a single claim must be drawn to either a product or process (but not both) and because a potential competitor of Applicant(s) would not know whether *possession alone* of the claimed structure constituted infringement, or alternatively, if infringement required the *execution* of the recited method steps, the claims are indefinite. If Applicant(s) overcome this particular 35 U.S.C. §112, 2nd paragraph

rejection, the related 35 U.S.C. §101 rejection will also be withdrawn. For examination purposes, the Examiner will interpret claims 11-20 as claims directed to a process only.

9. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

10. Claims 6, 8-21, and 23-31 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention. Specifically, at least claim 10 recites “ a first view of the agreement secured by a key based upon both a first mobile device parameter stored in the mobile device and personal identifying information” and "deriving the key based upon the first and second mobile device parameters”; however, the specification does not provide support for these features. Applicants directed the Examiner to paragraph 487, but this paragraph does not clearly describe these features. If Applicants disagree please clarify and indicate which paragraphs support these limitations.

Claim Rejections - 35 USC § 101

7. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

11. Claims 6, 8-21, and 23-31 are rejected under 35 U.S.C. 101 because the claimed

invention is directed to non-statutory subject matter.

35 USC 101 requires that in order to be patentable the invention must be a "new and useful process, machine, manufacture, *or* composition of matter, *or* any new and useful improvement thereof" (emphasis added). The applicants claims mentioned above are intended to embrace or overlap *two* different statutory classes of invention as set forth in 35 USC 101. The claims begin by discussing a system, but subsequently the claims then deal with the specifics of a method (the steps) executed by the processing means (see above rejection of claims under 35 USC 112, second paragraph, for specific details regarding this issue). "A claim of this type is precluded by the express language of 35 USC 101 which is drafted so as to set forth the statutory classes of invention in the alternative only", Ex parte Lyell (17 USPQ2d 1548).

Double Patenting

12. Claim 10 is rejected on the ground of nonstatutory obviousness-type double patenting as being unpatentable over claim 1 of U.S. Patent No. 7349871. Although the conflicting claims are not identical, they are not patentably distinct from each other because U.S. Patent No. 7349871 discloses all the features of claim 10 except the concept of using a key to secure the view. Since the claim recited in U.S. Patent No. 7349871 and the present invention performs a similar function, it would have been obvious to a person of ordinary skill in the art to modify the present invention by removing the additional element resulting essentially in the same invention. It is well settled that the omission of an element and its function is an obvious expedient if the remaining elements perform the same function as before. *In re Karison*, 136 USPQ 184 (CCPA 1963). Also note *Ex parte Rainu*, 168 USPQ 375 (Bd. App. 1969). Thus, omission of a

reference element whose function is not needed would be obvious to one of ordinary skill in the art.

Claim Rejections - 35 USC § 103

13. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

14. Claims 8-10 and 14-19 are rejected under 35 U.S.C. 103(a) as being unpatentable over US Patent No. 6098093 to Slater in view of 20030226030 to Hurst et al. ("Hurst")

Referring to claim 10, Slater discloses a first party mobile device (i.e. smart card) independently of second (i.e. merchant) and third parties (i.e. financial institution) generating a first view of the agreement (i.e. payment instructions) secured by a key (symmetric encryption uses a key) based upon both a first mobile parameter stored in the mobile device (i.e. information stored on the smart card) and personal identifying information of the first party as a second mobile device parameter input to the mobile device and transmitting the first view of the agreement to the second party (i.e. at least the PIN) (see col. 7, lines 66, 67; col. 8, lines 1-21 and col. 9, lines 8,9 – the purchaser enters the card information and security information by placing card into communication with card reader interface of the card reader device and by entering PIN into the keypad. The information is used to create purchaser payment instructions, which is forwarded to the merchant.), a second party merchant device independently of the first and third party generating a second view of the agreement secured based upon both a first merchant device parameter and a second merchant device parameter as merchant identifying information and

transmitting the second secured view of the agreement to the third party (see col. 9, lines 13-47 and 60-64 - The merchant receives the instructions and appends merchant payment instructions to the purchasers payment instructions to form financial transaction instructions and sends the financial transaction instructions to the financial institution), and an open and non-secure wireless network connecting the first party and second party and transmitting the first view of the agreement from the first party to the second party, a wired or wireless network connecting the second party to the third party and transmitting the first and second views of the agreement to the third party (see col. 6, lines 45-60 – notice, the parties communicate via an open network and they are remote; thus, this is a wireless network), wherein the trusted third party server verifies conditions of the agreement including identities of the first and second parties in the independent secured first and second views of the agreement, based on a symmetric agreement verification protocol using the first and second mobile device parameters for the secured first view and first and second merchant device parameters for the secured second view, and takes action executing the agreement according to the verification of the conditions of the agreement, wherein the agreement pertains to ordering and/or purchasing goods and/or services, and the first party mobile device is operated by a consumer, the second party merchant device is operation by a merchant and the third party is a secure transaction server (STS), and wherein the personal identifying information of the first party is consumer identifying information as the input second mobile device parameter stored only by the trusted secure transaction server and for authorization, the consumer inputs the consumer identifying information into the consumer mobile device by the trusted secure transaction server (see col. 8, lines 10-16 - symmetric encryption method is applied by the financial institution & col. 9, lines 65-67 and col. 10, lines

1-67 – the financial institution validates the financial transaction instructions, as well as insuring that purchase order information, purchaser's and merchant's transaction amount and other information utilized in performing the transaction is in agreement between the parties. If the verification is successful, the financial institution sends an authorization message to the merchant and credits the merchant while debiting the purchaser). The sole difference between Slater and the claimed subject matter is that Slater does not expressly disclose a key based upon a first mobile device parameter stored in the mobile device and personal identifying information of the first party and deriving the key based upon the first and second mobile device parameters. Slater utilizes symmetric encryption method [which uses a key] to generate a secured view and the claim recites the key being generated based on the mobile parameter and personal identifying information. Hurst discloses using mobile device parameters to generate a key (see claims 7 & 23), which shows that generation of key based on mobile parameters was known in the art at the time of the invention. Thus, substituting the encryption method taught by Slater with the method Hurst is obvious. The simple substitution of one known element for another producing a predictable results renders the claim obvious.

As per claims 8, 9, and 14-19, see claim 10 rejection above.

15. Claims 11 and 13 are rejected under 35 U.S.C. 103(a) as being unpatentable over Slater and Hurst as applied to claim 10 above, and further in view of U.S. Patent No. 6470448 to Kuroda et al. (“Kuroda”).

Referring to claim 11, Slater discloses the trusted secure transaction server (see claim 10 above). Slater does not expressly disclose the transaction server supplies a token as confirmation

of the payment. Kuroda discloses the transaction server supplies a token as confirmation of the payment (see col. 7, lines 19-24). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the system disclose by Slater to allow the secure transaction server to supply a token as confirmation of the payment. One of ordinary skill in the art would have been motivated to do this because it ensures the parties that the transaction is complete.

Referring to claim 13, Slater discloses the system wherein only the trusted secure transaction server, and neither the merchant device nor the consumer mobile device are able to observe details of other's transaction including the identifying information of the consumer and the merchant (see claim 10 above - notice, the purchaser instructions and merchant instructions are encrypted. The merchant can not read the security information of the purchaser and the purchaser does not have an opportunity to read the merchant instruction because the information is sent directly to the financial institution).

16. Claims 6, 12 , 20, 21, 23 -25, 29 and 31 are rejected under 35 U.S.C. 103(a) as being unpatentable over Slater, Hurst, and Kuroda as applied to claims 11 and 18 above, and further in view of US Publication No. 2001/0037264 to Husemann.

Referring to claim 12, Slater discloses the trusted secure transaction server (see claim 10 above). Slater does not expressly disclose the merchant device processes the token presented by the consumer to consume the goods and/or service. Husemann discloses the merchant device processes the token presented by the consumer to consume the goods and/or service (see paragraph [0085]). At the time the invention was made, it would have been obvious to a person

of ordinary skill in the art to modify the system disclose by Slater to include the merchant device processes the token presented by the consumer to consume the goods and/or service. One of ordinary skill in the art would have been motivated to do this because it allows the customer to confirm the order with the merchant (see paragraph [0085] of Husemann).

Referring to claims 6 and 20, Slater discloses the system wherein the wired or wireless network connecting the merchant device with the secure transaction server is a secure network and an open and non-secure wireless network (see claim 18 above). Slater does not expressly disclose a wireless local area network operated by the merchant device. Husemann discloses a wireless local area network operated by the merchant device (see paragraph [0100], [0035] and fig. 5). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the system disclose by Slater to include disclose a wireless local area network operated by the merchant device. One of ordinary skill in the art would have been motivated to do this because it LANs are capable of transmitting data at very fast rates.

Referring to claims 21 and 23, Slater discloses the system wherein the wired or wireless network connecting the merchant device with the secure transaction server is a secure network and an open and non-secure wireless network (see claim 18 above). Slater does not expressly disclose the wireless local area network includes a hotspot accessible by a plurality of merchant devices and consumer mobile devices and the consumer mobile device provides selectable merchants based upon the merchant devices through the wireless local area network. Husemann teaches a local area network operated by the merchant (see claim 20 above). The Examiner notes that modifying the network taught by Husemann to include a hotspot an obvious because it is well known in the art of networking to include hotspot in specific geographic location as an

access point for wireless LAN. At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the system disclose by Slater to include the wireless local area network includes a hotspot accessible by a plurality of merchant devices and consumer mobile devices and the consumer mobile device provides selectable merchants based upon the merchant devices through the wireless local area network. One of ordinary skill in the art would have been motivated to do this because it provides public wireless broadband network services to mobile visitors in heavily populated places and has a short range of access.

As per claim 24, see claims 10 and 20 above.

Referring to claim 25, Slater discloses a network (see claim 19 above). Slater does not expressly disclose the merchant device is connected to the secure transaction server via Internet using security including a secure socket layer (SSL) or Virtual Private Network. Kudora discloses the merchant device is connected to the secure transaction server via Internet using security including a secure socket layer (SSL) or Virtual Private Network (see paragraphs [0029] & [115]). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the system disclose by Slater to include the merchant device is connected to the secure transaction server via Internet using security including a secure socket layer (SSL) or Virtual Private Network. One of ordinary skill in the art would have been motivated to do this because it allows global users to share data in a private manner.

Referring to claim 29, Slater discloses the consumer and merchant devices (see claim 18 above). Slater does not expressly disclose wherein one of the services for the purchase is a movie ticket, from the merchant device and wherein the receipt is an electronic token as proof of the payment and wherein the consumer mobile device provides the token to obtain the service,

including a paperless e-ticket. Husemann discloses wherein one of the services for the purchase is a movie ticket, from the merchant device and wherein the receipt is an electronic token as proof of the payment and wherein the consumer mobile device provides the token to obtain the service, including a paperless e-ticket (see paragraphs [0075] –[0078]). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the system disclose by Slater to include one of the services for the purchase is a movie ticket, from the merchant device and wherein the receipt is an electronic token as proof of the payment and wherein the consumer mobile device provides the token to obtain the service, including a paperless e-ticket. One of ordinary skill in the art would have been motivated to do this it allows quick transactions to occur (see paragraph [0078] of Husemann - all of this can be done within minutes or even seconds).

As claim 26, see claim 25 above.

Referring to claim 31, Slater discloses the secure transaction server (see claim 18 above). Slater does not expressly disclose the server provides ancillary information from the payment services, including advertisements, special interest rate for a particular purchase if a specific credit account is chosen for a attempted purchase, to the consumer mobile device in response messages prior to the payment authorization. Husemann teaches the server provides ancillary information from the payment services, including advertisements, special interest rate for a particular purchase if a specific credit account is chosen for a attempted purchase, to the consumer mobile device in response messages prior to the payment authorization (see paragraphs [0099] & [0078] – encryption information of the online bill is interpreted as ancillary information sent along with the online bill). At the time the invention was made, it would have

been obvious to a person of ordinary skill in the art to modify the system disclose Slater to include the server provides ancillary information from the payment services, including advertisements, special interest rate for a particular purchase if a specific credit account is chosen for a attempted purchase, to the consumer mobile device in response messages prior to the payment authorization. One of ordinary skill in the art would have been motivated to do this because it ensures that the material in the electronic document is only viewed by the authorized party (see Husemann paragraph [0078]).

17. Claims 27 and 28 are rejected under 35 U.S.C. 103(a) as being unpatentable over Slater and Hurst as applied to claim 18 above, and further in view of US Patent No. 5465328 to Dievondorff.

Slater discloses the consumer mobile device and the secure transaction server (see claim 18 above). Slater does not expressly disclose the consumer mobile devices request the secure transaction server to disable the consumer mobile device for a purchase using a current consumer identifying information. Dievondorff discloses disclose the consumer mobile devices request the secure transaction server to disable the consumer mobile device for a purchase using a current consumer identifying information, wherein the secure transaction server detects and disables a consumer account if there are multiple attempts to authorize a payment with incorrect consumer identifying information (see col. 7, lines 56-66). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the system disclose by Slater to include the consumer mobile devices request the secure transaction server to disable the consumer mobile device for a purchase using a current consumer identifying information. One

of ordinary skill in the art would have been motivated to do this because it prevents unauthorized individuals from accessing utilizing the device.

18. Claim 30 is rejected under 35 U.S.C. 103(a) as being unpatentable over Slater and Hurst as applied to claim 18 above, and further in view of US Publication No. 2001/0034670 to Blair.

Slater discloses purchase of goods and/or services (see claim 18 above). Slater does not expressly disclose the purchase is a return of goods and/or services from the consumer to the merchant and the secure transaction server causes payment from the merchant to the consumer. Blair discloses the purchase is a return of goods and/or services from the consumer to the merchant and the secure transaction server causes payment from the merchant to the consumer (see paragraph [0024]). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the system disclose by Slater to include the purchase is a return of goods and/or services from the consumer to the merchant and the secure transaction server causes payment from the merchant to the consumer. One of ordinary skill in the art would have been motivated to do this because it provides the customer with satisfaction causing them to do business with the entity again (see paragraph [0024]).

Conclusion

19. The claim recites the functional language for. Applicant is reminded that functional recitation(s) using the word “for” or other functional language have been considered but given less patentable weight because they fail to add any steps and are thereby regarded as intended use language. A recitation of the intended use of the claimed invention must result in additional steps. See *Bristol-Myers Squibb Co. v. Ben Venue Laboratories, Inc.*, 246 F.3d 1368, 1375-76,

58 USPQ2d 1508, 1513 (Fed. Cir. 2001) (Where the language in a method claim states only a purpose and intended result, the expression does not result in a manipulative difference in the steps of the claim.).

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jalatee Worjloh whose telephone number is 571-272-6714. The examiner can normally be reached on Monday - Friday 10:00 - 6:30.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Calvin Hewitt II can be reached on 571-272-6709. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Jalatee Worjloh/
Primary Examiner, Art Unit 3685